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12 UNITED STATES DISTRICT COURT
13 NORTHERN DISTRICT OF CALIFORNIA

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15 BOARD OF TRUSTEES OF THE
16 LABORERS HEALTH AND WELFARE
17 TRUST FUND FOR NORTHERN
18 CALIFORNIA; BOARD OF TRUSTEES OF
19 THE LABORERS PENSION TRUST FUND
20 FOR NORTHERN CALIFORNIA; BOARD
21 OF TRUSTEES OF THE LABORERS
22 VACATION-HOLIDAY TRUST FUND FOR
23 NORTHERN CALIFORNIA; and BOARD OF
24 TRUSTEES OF THE LABORERS TRAINING
25 AND RETRAINING TRUST FUND FOR
NORTHERN CALIFORNIA,

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Plaintiffs,

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vs.

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19 T.I. DEVELOPMENT GROUP, LLC, a
20 California limited liability company,

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Defendant.

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NOW COME the Plaintiffs, hereinabove named, and for their causes of action against

Defendant, allege as follows:

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I. JURISDICTION AND VENUE

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1. This is an action for damages for breach of the collective bargaining agreement
described below and for injunctive relief. This Court has jurisdiction of the action under and
pursuant to the provisions of 29 U.S.C. § 185 (§ 301 of the Labor Management Relations Act of

Case No.: _____

**COMPLAINT FOR BREACH OF
COLLECTIVE BARGAINING
AGREEMENT AND FOR A
MANDATORY INJUNCTION**

1 1947, as amended) and 29 U.S.C. §§ 1132(a)(3) and 1132(e)(1) (§§ 502(a)(3) and 502(e)(1) of
2 the Employee Retirement Income Security Act of 1974, as amended) (“ERISA”). The suit
3 arises from T.I. Development’s failure to permit an audit of its books and records as required by
4 the collective bargaining agreements, by the written trust agreements and by provisions of
5 federal law.

6 2. Venue of the within action is properly laid in the U.S. District Court for the
7 Northern District of California in that, under ERISA § 502(e)(2), 29 U.S.C. § 1132(e)(2),
8 contributions are made to, and benefits are paid from, a corporate co-trustee bank in the
9 Northern District of California.

II. PARTIES

11 3. The Laborers Health and Welfare Trust Fund for Northern California, Laborers
12 Vacation-Holiday Trust Fund for Northern California, Laborers Pension Trust Fund for
13 Northern California, and Laborers Training and Retraining Trust Fund for Northern California
14 are the plaintiffs herein. The Laborers Health and Welfare Trust Fund for Northern California,
15 Laborers Vacation-Holiday Trust Fund for Northern California, Laborers Pension Trust Fund
16 for Northern California, and Laborers Training and Retraining Trust Fund for Northern
17 California (“the Trust Funds”) are trust funds organized under and pursuant to the provisions of
18 §§ 302(c)(5) and 302(c)(6) of the Labor Management Relations Act of 1947, as amended,
19 29 U.S.C. §§ 186(c)(5) and 186(c)(6). The Trust Funds were established through collective
20 bargaining agreements between the Northern California District Council of Laborers (“Laborers
21 Union”) and employer associations representing construction industry employers doing business
22 in Northern California. The Trust Funds are employee benefit plans created by written trust
23 agreements subject to and pursuant to §§ 3(3) and 3(37) of ERISA, 29 U.S.C. §§ 1002(3)
24 and (37). The Boards of Trustees, as fiduciaries, are the plaintiffs, who sue on behalf of the
25 Trust Funds.

26 4. Each of the Trust Funds is a third party beneficiary of the collective bargaining
27 agreement described below.

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1 5. At all times mentioned herein, each of the Trust Funds was an express trust
2 created by a written trust agreement subject to and pursuant to § 302 of the Labor Management
3 Relations Act, 29 U.S.C. § 186, and a multi-employer benefit plan within the meaning of
4 Sections 3 and 4 of ERISA, 29 U.S.C. §§ 1002, 1003.

5 6. The Trust Funds provide a variety of benefits for laborers, retired laborers and
6 other related covered employees on whose behalf contributions are made pursuant to collective
7 bargaining agreements. The duties of the Board of Trustees of the Trust Funds include ensuring
8 that employers who are signatories to said collective bargaining agreements comply with the
9 terms of those agreements with respect to payments and contributions to the Trust Funds.

10 7. Plaintiffs are informed and believe, and upon that ground allege, that at all times
11 material hereto, defendant T.I. Development Group, LLC (“T.I. Development”) was a California
12 limited liability corporation and a licensed general contractor in California, with its principal
13 place of business located in Mountain View, California. Plaintiffs are further informed and
14 believe, and upon that ground allege, that T.I. Development is and has been an employer within
15 the meaning of Section 3(5) and Section 515 of ERISA, 29 U.S.C. §§ 1002(5), 1145 and an
16 employer in an industry affecting commerce within the meaning of Section 301 of the LMRA,
17 29 U.S.C. § 185.

18 **III. FIRST CLAIM FOR RELIEF**

19 **(BREACH OF COLLECTIVE BARGAINING AGREEMENT)**

20 8. Plaintiffs reallege and incorporate by reference, as though fully set forth, the
21 allegations contained in paragraphs 1-7 of this Complaint.

22 9. On or about April 3, 2013, T.I. Development entered into a Memorandum
23 Agreement and by virtue of executing the Memorandum Agreement, became bound to a written
24 collective bargaining agreement with the Northern California District Council of Laborers
25 (“Laborers Union”) entitled the Laborers’ Master Agreement For Northern California (“Master
26 Agreement”). In agreeing to be bound to the Master Agreement, T.I. Development further
27 agreed to be subject to and bound by all provisions and conditions of the written Trust
28 Agreements which established the trust funds. Pursuant to the provisions of the Master

1 Agreement, T.I. Development agreed to be bound by all terms relating to wages, hours and
2 conditions of employment prescribed therein with the Laborers Union.

3 10. By virtue of the Master Agreement and Trust Agreements, defendant T.I.
4 Development promised and agreed that: (1) it would pay employee fringe benefit contributions
5 into each Trust Fund in regular monthly installments commencing on or before the 15th day of
6 the month immediately succeeding the month in which the employee's work was performed;
7 (2) that in the event that any of said monthly installments were not paid in full on or before the
8 25th day of the month in which such contributions became due, it would pay interest on the
9 delinquent contribution in the amount of 1.5% per month until paid in full, and would also pay
10 the amount of \$150.00 for each delinquent contribution as liquidated damages, and not as a
11 penalty; and (3) that if any suit with respect to any of said contributions or payments were filed
12 against him, it would pay into said Trust Funds the attorneys' fees, costs and all other expenses
13 incurred in connection with such suit.

14 11. By virtue of the Master Agreement and Trust Agreements, defendant further
15 promised and agreed that it would permit an auditor assigned by the Trust Funds to enter upon
16 T.I. Development's business premises, during business hours, at a reasonable time or times, not
17 less than two (2) working days after such request, to examine and copy such books and records,
18 papers or reports of T.I. Development as may be necessary to determine whether defendants are
19 making full and prompt payment of all sums to be paid to the Trust Funds.

20 12. The Master Agreement between the Laborers Union and T.I. Development has
21 never been terminated.

22 13. Plaintiffs have performed all conditions, covenants and promises on their part to
23 be performed in accordance with the terms and conditions of the Master Agreement and Trust
24 Agreements.

25 14. The Trust Funds have requested entry by their auditors to T.I. Development's
26 business premises to inspect and copy T.I. Development's books and records pursuant to the
27 terms and conditions of the Master Agreement and Trust Agreements.

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1 15. T.I. Development has refused and continues to refuse to allow the auditor
2 assigned by the Trust Funds to enter upon T.I. Development's business premises to inspect and
3 copy T.I. Development's books and records.

4 16. Plaintiffs are informed and believe that an inspection of T.I. Development's
5 books and records will show unpaid and delinquent employee fringe benefit contributions owed
6 to the Trust Funds and that T.I. Development owes interest and liquidated damages on said
7 unpaid and delinquent fringe benefit contributions all in an amount to be proved at trial.

8 17. T.I. Development has materially breached and broke the aforesaid Master
9 Agreement and Trust Agreements by (a) refusing to allow the inspection and copy of its
10 business records by the Trust Funds' auditors; and (b) failing to pay all employee fringe benefit
11 contributions owed to the Trust Funds under the terms and conditions of the Master Agreement
12 and Trust Agreements. Plaintiffs will move to further amend this Complaint once the audit is
13 completed and the amount of delinquent employee fringe benefit contributions is calculated.

14 18. The aforesaid material breaches proximately caused damages to plaintiffs in an
15 amount according to proof at trial.

16 19. Plaintiffs have incurred and will continue to incur attorneys' fees in the within
17 action. Pursuant to the provisions of the Master Agreement and the Trust Agreements, plaintiffs
18 request that the Court award plaintiffs their attorneys' fees and costs incurred in the bringing of
19 the within action.

20 WHEREFORE, plaintiffs pray for judgment as set forth below.

21 **IV. SECOND CLAIM FOR RELIEF**

22 **(MANDATORY INJUNCTION)**

23 **(ERISA § 502(G)(2)(E))**

24 20. Plaintiffs reallege and incorporate by reference, as though fully set forth, the
25 allegations contained in paragraphs 1-19 of this Complaint.

26 21. Pursuant to the terms and conditions of the Master Agreement and Trust
27 Agreements, T.I. Development is required to allow the Trust Funds access to its books and
28 records to determine the amount of trust fund contributions due and owing. Plaintiffs have, as

1 one of their purposes, the obligation to ensure that contributions required to be made to the Trust
2 Funds are fully and correctly made. The purposes of the respective Trust Funds are to provide
3 health and welfare, vacation, pension and other benefits for laborers, retired laborers and other
4 related covered employees on whose behalf contributions are made, which benefits are
5 supported by such contributions, and to ensure that employers who are signatories to the
6 collective bargaining agreement referred to herein comply with the terms of the agreement with
7 respect to the payment of contributions to the Trust Funds.

8 22. Pursuant to ERISA § 502(g)(2)(E), 29 U.S.C. § 1132(g)(2)(E), the Court may
9 award such other legal or equitable relief as the Court deems appropriate, and pursuant to
10 ERISA § 502(a)(3), 29 U.S.C. § 1132(a)(3), plaintiffs are entitled to obtain appropriate
11 equitable relief for the breaches alleged herein. Plaintiffs seek a mandatory injunctive order of
12 this Court ordering and requiring T.I. Development to permit plaintiffs' auditor access to its
13 books and records in order to permit plaintiffs to verify the precise amounts owed by defendant
14 to the Trust Funds.

15 23. Plaintiffs seek a mandatory injunctive order from this Court because plaintiffs
16 have no adequate legal remedy in that an audit of T.I. Development's books and records is the
17 only means to accurately verify the amounts owed by defendant to the Trust Funds.

18 || WHEREFORE, plaintiffs pray for judgment as set forth below.

V. RELIEF REQUESTED

20 WHEREFORE, plaintiffs pray for judgment as follows:

21 1. On the First Claim for Relief, for damages for breach of the collective bargaining
22 agreement against T.I. Development for all unpaid contributions, additional accrued interest,
23 and liquidated damages, and such other or further amounts as may be shown at trial and as may
24 be discovered after plaintiffs have had the opportunity to conduct an audit of T.I.
25 Development's books and records, for costs of suit, attorneys' fees and for such other further
26 relief as the Court may deem just and proper.

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1 2. On the Second Claim for Relief, that T.I. Development be compelled to forthwith
2 submit to an audit by an auditor selected by plaintiffs, which audit is to be conducted at T.I.
3 Development's business premises during business hours, at a reasonable time or times, and to
4 allow said auditor to examine and copy such books, records, papers, and reports that are relevant
5 to the enforcement of the collective bargaining agreement and trust agreements for T.I.
6 Development, but not limited to, the following, for the period April 2013 through the present:

8 California Quarterly Report of Wages, Form DE-6; Federal Tax
9 Forms W-3/W-2 and 1069/1099; Payroll Registers/Journals;
10 Individual Earnings Records; Source Records, including time cards
11 and time card summaries for all employees; contribution reports for
12 all trust funds; workers' compensation reports; certified payroll
reports; personnel records indicating job classifications and
hire/termination dates; cash disbursement journal; vendor invoices;
copies of subcontract agreements; cash receipts journal; general
ledger; job cost records; records of related entities; and any other
books and records that may be necessary to complete the auditor's
determination or provide additional explanation.

DATED: October 11, 2016

BULLIVANT Houser Bailey PC

By /s/ Ronald L. Richman
Ronald L. Richman

Attorneys for Plaintiffs

4848-4835-0521.1